

Economics 3710
Economic Analysis of Canadian Public Issues
Spring 2012

Tuesday, February 14, and Thursday, February 16, 2012

Readings:

Green, Alan G., and David A. Gree. 1999. "The Economic Goals of Canada's Immigration Policy, Past and Present," *Canadian Public Policy* 25(4), 425-51.

Desjardins, Dawn, and Kirsten Cornelson. 2011. "Immigrant Labour Market Outcomes in Canada: The Benefits of Addressing Wage and Employment Gaps," RBC Economics Research, Current Analysis.

Abbott, Michael G., and Charles M. Beach. 2011. "Do Admission Criteria and Economic Recessions Affect Immigrant Earnings?" IRPP Study No. 22.

Discussion Questions #6

1. Why did early Canadian immigration policy favour immigrants from Western Europe? Was there a good economic reason for this?
2. When and why did Canada start to accept non-European immigrants in large numbers? What happened to all the Europeans?
3. Since 1967, large numbers of immigrants have been admitted to Canada on the basis of the points system whereby points are awarded for various predictors of economic success in this country. How successful do you think this policy has been?
4. Green and Green don't really like the idea of tying immigration policy to domestic economic conditions. Why is this? What are some of the problems associated with this policy? What other policies may be better at fulfilling the policy goals of current Canadian immigration policy?
5. After falling during the recession of the early 1980s, Canada's immigration levels again began to rise. Why did this occur?
6. Why did the government abandon the demographic goals of immigration in the late-1980s? What do Abbott and Beach have to say about this?
7. Why do Green and Green favour an immigration policy that favours broad skills as opposed to targeting specific occupations?
8. Why do they argue that immigration policy should be primarily cultural and humanitarian rather than economic?
9. Some have said Canada's points system attracts better quality immigrants (in terms of earnings) on average, compared to the United States, where policy is based on family reunification. Others have said that the U.S. actually attracts better quality immigrants, when we control for source country, and that this higher average in Canada has to do with the source-country mix of immigrants. What is meant by this? How do we reconcile these two apparently contradictory conclusions?
10. Why do we care if immigrants earn as much as the Canadian-born, or if in fact they ever catch-up in terms of earnings? Why do we care if there are differences in earnings between immigrant classes?
11. How might our immigration policy change if we were to adopt a more global view of the costs and benefits of this policy?
12. Why do recent immigrants tend to be having a difficult time in the Canadian labour market? Is our policy to reward high levels of education having anything to do with this?
13. What is the importance of using longitudinal data versus cross-sectional data when studying the earnings profiles of immigrants?
14. What is the limitation of some of the data sources used? What are synthetic cohorts? How do these differ from longitudinal data?
15. How are the figures in the RBC paper likely to understate the gap in immigrant earnings (vis-à-vis the earnings of the Canadian born)?
14. Why are family class immigrants less likely to catch up to the earnings of economically assessed

immigrants?

15. How do the recommendations by these three papers differ (especially the first and third papers)?

16. Why was massive immigration such a good idea at the start of Confederation but perhaps not such a great idea today?

17. Is there a difference between education and training? Who should we admit to Canada? Why?

18. Should provinces have a larger or smaller role in determining immigration policy (e.g., the Provincial Nominee Program)?

19. How would you design an immigration policy for Canada?